

2027 USDA EXPLANATORY NOTES – OFFICE OF THE CHIEF FINANCIAL OFFICER

Table of Contents

Preface	3
Agency-Wide	4
Purpose Statement.....	4
OIG and GAO Reports.....	4
Available Funds and FTEs	5
Permanent Positions by Grade and FTEs.....	5
Shared Funding Projects	5
Account 1: Office of the Chief Financial Officer.....	7
Appropriations Language.....	7
Lead-Off Tabular Statement	7
Project Statements.....	7
Justification of Changes.....	7
Geographic Breakdown of Obligations and FTEs	8
Object Classification.....	8
Status of Programs.....	9

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PREFACE

This publication summarizes the fiscal year (FY) 2027 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the "Budget" is in regard to the 2027 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2024 and 2025; Working Families Tax Cut Act; Agriculture, Rural Development, Food and Drug Administration, and Related Agency Appropriations Act, 2026; and the President's Budget request for 2027. Amounts for 2026 estimated levels include: non-enacted amounts such as Full-Time Equivalent levels, fleet levels, information technology investment levels, recovery levels, transfers in and out, balances available end of year, and obligation levels.

Throughout this publication, the "Working Families Tax Cut Act" is used to refer to the Public Law 119-21.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2024, 2025, 2026 and 2027.

In tables throughout this document, amounts equal to zero (0) are displayed as dashes (-). Amounts less than 0.5 and greater than zero are rounded and shown as a zero (0). This display treatment is used to prevent the masking of small non-zero amounts that do not round up to one (1). Due to rounding, some tables may not sum exactly.

AGENCY-WIDE

PURPOSE STATEMENT

The Secretary established the Office of the Chief Financial Officer (OCFO) in 1995 under the authority provided in Reorganization Plan Number 2 of 1953 (7 U.S.C. 2201) to comply with the Chief Financial Officer Act of 1990. The OCFO focuses on the Department’s financial management activities to improve program delivery and ensure maximum contribution to achieving the mission of USDA. OCFO operations are led by the Chief Financial Officer (CFO), who is assisted by the Deputy CFO, two Associate CFOs for Shared Services, Financial Policy, and Planning, and the Director of the National Finance Center (NFC).

The National Finance Center (NFC) employs staff to operate, and support centralized, automated, and integrated payroll, personnel, administrative payments, and central accounting systems, that serve more than 40 Federal Departments, independent agencies, and Congressional entities, including USDA. Operations at NFC are financed entirely by fee-for-service contracts with customers through the USDA WCF. No direct appropriated funding for NFC is reflected in the OCFO operating budget.

OCFO activities contribute to the success of USDA’s overall mission to provide leadership on financial system management policy and the provision of timely, accurate, and reliable information from financial systems, development of financial statements, cost accounting policy and financial management budgets, policy guidance and oversight of the Department’s internal controls and management accountability programs and reporting to ensure adequate controls over the Department’s assets, oversight of the Departmental Working Capital Fund (WCF) and the Shared Cost Programs (SCP), providing policy guidance and oversight of the travel system, grants management, cash, and credit; and management operations, and other financial management functions.

The OCFO headquarters is located in Washington, D.C. As of September 30, 2025, there were 947 full time permanent employees which are funded by appropriated funds (32), reimbursable funds (5), and the Working Capital Fund (910).

OCFO activities contribute to the success of USDA’s overall mission to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues based on public policy, the best available science, and effective management. USDA is currently developing the FY 2026 – 2030 Strategic Plan. A detailed FY 2027 performance plan, including Key Performance Indicators, can be found at <https://www.usda.gov/our-agency/about-usda/performance>.

OIG AND GAO REPORTS

Table OCFO-1. Closed, Implemented OIG Reports

ID	Date Opened	Date Closed	Title	Result
50601-0004-23	03/14/2024	07/16/2025	USDA’s Controls Over Departmental Shared Cost Programs and Working Capital Fund	OCFO closed two of the four recommendations issued. OCFO received legal opinions concerning the usage of Interagency Agreements and has implemented those recommendations into current business processes. OCFO is working towards closure of the remaining two recommendations of updates to the Working Capital Fund and Shared Cost Programs Departmental Regulations, which are currently in process.

AVAILABLE FUNDS AND FTEs

Table OCFO-2. Available Funds and FTEs (thousands of dollars, FTEs)

Item	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Salaries and Expenses:								
Discretionary								
Appropriations	\$6,867	31	\$6,867	32	\$5,867	26	\$5,813	26
Total Available	6,867	31	6,867	32	5,867	26	5,813	26
Lapsing Balances	-139	-	-31	-	-	-	-	-
Total Obligations	6,728	31	6,835	32	5,867	26	5,813	26
Other Funding:								
Reimbursements from								
USDA Agencies	818	4	1,084	5	2,081	9		
Total Appropriation, Other Funding	818	4	1,084	5	2,081	9		
Lapsing Balances	-8							
Total Obligations, Other Funding	810	4	1,084	5	2,081	9		
Total Obligations, OCFO.....	7,538	35	7,920	37	7,948	35	5,813	26
Total Available, OCFO	7,685	35	7,951	37	7,948	35	5,813	26

PERMANENT POSITIONS BY GRADE AND FTEs

Table OCFO-3. Permanent Positions by Grade and FTEs

Item	2024			2025			2026			2027		
	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total
SES.....	2	-	2	1	-	1	2	-	2	2	-	2
GS-15	4	-	4	2	-	2	4	-	4	4	-	4
GS-14	5	-	5	5	-	5	5	-	5	5	-	5
GS-13	12	-	12	14	-	14	13	-	13	13	-	13
GS-12	3	-	3	6	-	6	2	-	2	2	-	2
GS-11	3	-	3	3	-	3	1	-	1	1	-	1
Total												
Permanent .	31	-	31	32	-	32	26	-	26	26	-	26
Total Perm. FT												
EOY.....	31	-	31	36	-	36	26	-	26	26	-	26
FTE ¹	31	-	31	36	-	36	26	-	26	26	-	26

SHARED FUNDING PROJECTS

Table OCFO-4. Shared Funding Projects (thousands of dollars)

Item	2024	2025	2026	2027
	Actual	Actual	Estimated	Estimated
Working Capital Fund:				
Administrative Services:				
AskUSDA Contact Center	\$86	\$85	-	-
General Counsel Legal Compliance	-	9	\$58	\$58
Human Resources Enterprise System Management	166	182	79	81
Integrated Procurement Systems.....	155	141	162	162
Mail and Reproduction Management Division	74	105	102	104
Material Management Service Center.....	49	37	21	21

¹ Total FTEs are all inclusive of workforce categories including temporary positions.

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Working Capital Fund:				
Personnel and Document Security Program	63	70	54	-
Procurement Operations Division	1,897	1,704	10	10
Subtotal	2,490	2,333	486	436
Communications:	63	70	54	-
Creative Media & Broadcast Center.....	1,450	14	6	6
Finance and Management:				
Internal Control Support Services.....	464	329	1	1
Financial Management Support Services	186	333	336	430
Financial Shared Services.....	1,493	1,664	998	992
National Finance Center	4,096	2,683	2,149	2,149
Subtotal	6,239	5,009	3,484	3,572
Information Technology:				
Client Experience Center	4,421	5,226	647	640
Department Admin Information Technology Office	4,521	4,091	-	-
Digital Infrastructure Services Center.....	43,830	50,873	42,109	42,109
Enterprise Cybersecurity Services.....	5,216	3,551	412	412
Enterprise Data and Analytics Services.....	92	94	28	29
Enterprise Network Services	3,054	3,422	701	701
Subtotal	61,134	67,257	43,897	43,891
Correspondence Management Services:				
Office of the Executive Secretariat	72	117	94	94
Total, Working Capital Fund.....	71,385	74,730	47,968	48,052
Department-Wide Shared Cost Programs:				
Agency Partnership Outreach	86	73	40	43
America's Agricultural Heritage	-	-	6	5
Diversity, Equity, Inclusion, and Accessibility	31	5	-	-
Employee Experience	44	28	3	-
Medical Services	50	-	-	-
NCR Interpreting Services.....	20	13	12	12
OCFO Shared Services Branch	-	-	7	13
Office of Customer Experience	35	14	1	-
Physical Security	55	59	29	29
Security Detail	63	79	172	174
Security Operations.....	87	69	78	78
Talent Group	39	34	4	-
TARGET Center.....	19	16	13	13
Total, Department-Wide Reimbursable Programs ..	529	390	365	367
Agency Total	71,914	75,120	48,332	48,366

ACCOUNT 1: OFFICE OF THE CHIEF FINANCIAL OFFICER

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

Office of the Chief Financial Officer

For necessary expenses of the Chief Financial Officer, [~~\$5,867,000~~]\$5,813,000.

LEAD-OFF TABULAR STATEMENT

Table OCFO-5. Lead-Off Tabular Statement (in dollars)

Item	Amount
Estimate, 2026	\$5,867,000
Change in Appropriation	-54,000
Budget Estimate, 2027	<u>5,813,000</u>

PROJECT STATEMENTS

Table OCFO-6. Project Statement on Basis of Appropriations (thousands of dollars, FTEs) ²

Item	2024		2025		2026		2027		Inc. or	FTE	or	Chg
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs	Dec.	Dec.	Dec.	Key
Discretionary Appropriations:												
OCFO	\$6,867	31	\$6,867	32	\$5,867	26	\$5,813	26	-\$54	-	-	(1)
Total Appropriation	6,867	31	6,867	32	5,867	26	5,813	26	-54	-	-	-
Lapsing Balances	-139	-	-31	-	-	-	-	-	-	-	-	-
Total Obligations.....	<u>6,728</u>	<u>31</u>	<u>6,836</u>	<u>32</u>	<u>5,867</u>	<u>26</u>	<u>5,813</u>	<u>26</u>	<u>-54</u>	<u>-</u>	<u>-</u>	<u>-</u>

Table OCFO-7. Project Statement on Basis of Obligations (thousands of dollars, FTEs) ³

Item	2024		2025		2026		2027		Inc. or	FTE	or	Dec.
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs	Dec.	Dec.	Dec.	Dec.
Discretionary Obligations:												
OCFO	\$6,728	31	\$6,836	32	\$5,867	26	\$5,813	26	-54	-	-	-
Total Obligations.....	6,728	31	6,836	32	5,867	26	5,813	26	-54	-	-	-
Add back:												
Lapsing Balances	139	-	31	-	-	-	-	-	-	-	-	-
Total Appropriation	<u>6,867</u>	<u>31</u>	<u>6,867</u>	<u>32</u>	<u>5,867</u>	<u>26</u>	<u>5,813</u>	<u>26</u>	<u>-54</u>	<u>-</u>	<u>-</u>	<u>-</u>

JUSTIFICATION OF CHANGES

Office of the Chief Financial Officer

Base funds will continue to allow OCFO to carry out its statutory responsibilities. Continuing the base funding is crucial to maintain the Department’s financial and performance management activities, to improve program delivery, and to ensure maximum contribution and efficiency to achieving the mission of USDA. In accordance with administration policy announced in the Budget, OCFO will follow new government-wide grants guidance prohibiting the use of Federal funds to pay for subscriptions to academic journals, as well as for the publication of research results that are not specifically required by Federal statute or approved in advance by a Federal agency. This policy preserves funds to support

² This table does not match MAX Schedule X due to reimbursables.

³ This table does not match MAX Schedule X due to reimbursables.

actual research by ensuring that the American taxpayer does not pay for the research, publication, and access to that research, essentially triple-charging the public for the same product.

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

- (1) A decrease of \$54,000 in salaries and expenses to the Office of the Chief Financial Officer for National Security Related Expenses being transferred to the Office of Homeland Security (\$5,867,000 and 26 FTEs available in 2026).

This decrease of \$54,000 for National Security Related Expenses, being realigned to the Office of Homeland Security (OHS), will enhance efficiency and effectiveness within USDA. This strategic realignment will centralize resources under OHS, which provides leadership in national security through policy development, emergency preparedness and response initiatives, and threat mitigation coordination. Consolidating the budget under OHS eliminates redundancies, ensures more coordinated resource allocation, and improves the execution of departmental security policies, ultimately bolstering the USDA’s resilience and readiness without compromising overall security.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs

Table OCFO-8. Geographic Breakdown of Obligations and FTEs for Agricultural Research (thousands of dollars, FTEs)

State/Territory/Country	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
District of Columbia	\$6,728	31	\$6,836	32	\$5,867	26	\$5,813	26
Obligations	6,728	31	6,836	32	5,867	26	5,813	26
Lapsing Balances	139	-	31	-	-	-	-	-
Total, Available	6,867	31	6,867	32	5,867	26	5,813	26

OBJECT CLASSIFICATION

Table OCFO-9. Classification by Objects – Discretionary Funding (thousands of dollars) ⁴

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Personnel Compensation:					
	Washington D.C.	\$3,940	\$4,618	\$3,712	\$3,741
11	Total personnel compensation.....	3,940	4,618	3,712	3,741
12	Personal benefits.....	1,425	1,598	1,362	1,373
13.0	Benefits for former personnel	1	-	-	-
	Total, personnel comp. and benefits	5,366	6,217	5,074	5,114
Other Objects:					
21.0	Travel and transportation of persons	54	39	50	50
22.0	Transportation of things.....	-	5	5	5
23.1	Rental payments to GSA.....	10	4	10	10
	Communications, utilities, and misc. charges.....	20	15	40	40
24.0	Printing and reproduction.....	-	9	-	-
25.1	Advisory and assistance services.....	740	10	10	10
25.2	Other services from non-Federal sources ..	44	1	50	-
	Other goods and services from Federal sources.....	443	405	608	564
25.7	Operation and maintenance of equipment	-	129	-	-
26.0	Supplies and materials.....	22	3	10	10
31.0	Equipment	29	-	10	10
	Total, Other Objects	1,362	619	793	699

⁴ This table does not match MAX Schedule O due to reimbursables.

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
99.9	Total, new obligations.....	6,728	6,836	5,867	5,813
	DHS Building Security Payments				
	(included in 25.3).....	\$29	\$31	\$32	\$32
	Position Data:				
	Average Salary (dollars), ES Position	\$213,000	\$215,000	\$217,000	\$217,000
	Average Salary (dollars), GS Position.....	\$135,000	\$138,000	\$138,500	\$139,000
	Average Grade, GS Position	13.6	13.6	13.7	13.7

STATUS OF PROGRAMS

The Office of the Chief Financial Officer (OCFO) has Department-wide responsibility and leads USDA’s financial management, financial management systems, financial control and accounting, internal control and assessment, and financial management training. OCFO is also responsible for the administration of the Working Capital Fund (WCF) and directly manages four WCF-funded activities, the National Finance Center, Financial Management Services, Internal Controls and Support Services, and Financial Management Support Services.

The Chief Financial Officer (CFO) is USDA’s principal financial management policy officer and the chief financial advisor to the Secretary and Senior Officials. The CFO also serves as the Departmental official charged with responsibility for the financial health of the WCF, and effective day-to-day financial management.

Current Activities

Departmental Financial Statements

Due to October 1, 2025, government shutdown, USDA has not received a 2025 audit opinion. However, USDA will continue to make improvements to internal controls regarding financial reporting and financial systems, including compliance with the Federal Information Security Management Act to reduce the number and severity of material weaknesses.

Budget Services

In 2026, the Budget Division successfully executed the full annual budget cycle for over 20 staff office appropriation accounts. This progress included the on-time development and delivery of the 2026 President's Budget submission to Congress and the required Agency and Department Estimates to OMB. The Division efficiently managed all aspects of budget execution and control, including the timely loading of 2025 actual spending data into the OMB MAX system and the continuous management of both internal and OMB-approved mandatory and supplemental funding apportionments. Notably, the Division modernized its workflow by integrating system and process efficiencies, which dramatically increased efficacy in establishing over twenty 2025 budgetary apportionments—a capability that was critical during the 2025 Continuing Resolution period. These services cover over 20 appropriation accounts which encompass diverse functions, programs, and activities, each of which require technical service at a level equivalent to the operation of a separate appropriation. The Budget Division also provides services to the Departmental Shared Cost Program Advisory Committee by conducting reviews and making resource recommendations to the Advisory Committee in setting funding levels and priorities for decision by the Secretary.

Payment Integrity, Cash Management, and Debt Management and Collections

The Office of the Chief Financial Officer’s Fiscal Policy Division (FPD) leads USDA agencies and staff offices to meet the requirements of the Payment Integrity Information Act of 2019 (PIIA) and the Debt Collection Improvement Act of 1996. FPD oversees agency programs to ensure compliance with the laws and provisions of the OMB, Department of Treasury (Treasury), Government Accountability Office (GAO), and the Office of Inspector General (OIG).

The Financial Policy Division (FPD) provides a Department-wide consolidated response to laws, guidance, and policies by coordinating data calls, analyzing submissions, and offering feedback to agencies on several key areas. These include improper payments and overpayment recovery, cash management of Administrative Wage Garnishments and Salary Waivers, debt management and collections, and USDA-Treasury interdepartmental efforts regarding the utilization of the Do Not Pay (DNP) database.

FPD also plans and communicates up-to-date, relevant guidance with Departmental user groups to coordinate, track, and monitor the preparation to meet government-wide financial policy and planning initiatives' requirements. Specifically, FPD affects the management of agency programs for these requirements by addressing the issues of PIIA related mandates such as DNP, Improper Payments Testing and Reporting, and Corrective Action Plans (CAPs) to minimize monetary loss. FPD coordinates the reporting for the Improper Payment section of the USDA's annual Agency Financial Report, serves as USDA's official representatives to OMB, GAO, and Treasury, and functions as the Department's audit support in OIG's mandatory audits.

USDA leadership is committed to improving USDA's payment integrity and accuracy by addressing root causes of payment error, pursuing advances in anti-fraud efforts, managing debt, and taking collective actions to ensure proper collections of outstanding debt, and ultimately eliminating waste abuse.

Current activities include assisting agencies in meeting reporting deadlines for risk assessments, statistical sampling, improper payment rate reporting, corrective actions addressing the root causes of improper payments, and implementing DNP provisions included in OMB M-25-32. OCFO also monitors USDA agencies' Corrective Action Plans (CAPs) to support the development of internal controls, enhance systems, and facilitate payment recovery, thereby improving program integrity and payment accuracy. Furthermore, FPD promotes the increased utilization of the DNP database by expanding portal access to additional users and data sources.

Travel and Conference Activities

OCFO is responsible for travel management policy for the Department and has oversight responsibility for USDA's travel Department-wide policy and procedures on travel management services, the travel charge card program and conference management.

The OCFO successfully collaborated with US Bank and staff to implement Executive Order 14222, Department of Government Efficiency Cost Efficiency Initiative, to reduce and restrict government travel charge card use. By working with US Bank, the OCFO initiated a first ever single purchase limit for the travel charge cards to mitigate card use without closing the account or affecting the credit limits. This control limit prevented card use unless expressly approved. The OCFO also reduced number of active card accounts by 15 percent (down from 67,376 to 56,986); closing unnecessary accounts to reduce potential fraud and abuse.

The OCFO continues efforts to minimize inappropriate travel charge card use through training and compliance data mining efforts. OCFO also conducts data calls to ensure timely submission of various reports to external entities. Additionally, the office reviews and analyzes conference proposals to ensure responsible use of government time and resources. Furthermore, OCFO holds meetings with the electronic travel system provider, vendor bank, compliance/data mining partners, and agency travel and policy points of contact.

U.S. Government Accountability Office (GAO) and Office of Inspector General (OIG) Audits

OIG Adit Follow-up

As required by the Inspector General Act Amendments of 1988, the OCFO: (1) codifies into regulations and interprets revisions to the OMB Circular A-50, Audit Follow-up, and (2) researches and analyzes audits, making determinations on final actions, monitoring management's actions on audits, tracking individual audit recommendations, and reporting results annually to Congress.

GAO Audit Closures

GAO provides Congress, the heads of executive agencies, and the public with timely, fact-based, non-partisan information that can be used to improve government and save taxpayers billions of dollars. GAO performs audits at the request of Congressional committees or subcommittees or is statutorily required by public laws or committee reports, per our Congressional Protocols. OCFO maintains an inventory of open GAO audits but is not involved in making determinations of final action. Supporting documentation for closure of GAO audit recommendations is submitted by the auditee directly to GAO for a decision. When recommendations are successfully closed, the GAO records this information in the GAO audit database and notifies the auditee. The auditee will in turn notify OCFO of the closure to facilitate updates to our records in the Audit Follow-up Tracking and Reporting tool.

Specifically Addressed Areas

OCFO also provides policy guidance and assistance to agencies on technical matters related to the OIG and Government Accountability Office audits. Specific efforts by OCFO related to the OIG audits included: periodic coordination with USDA's OIG to share the current status of open audit recommendations; collaborating with the Department to develop dashboards on the CXO Tableau site to depict USDA agencies and staff office status and compliance on the resolution of OIG Audit recommendations; following up with USDA agencies' management and/or agency audit liaison officials to ensure corrective action responses to audit findings and recommendations are appropriate and achievable, cost-effective, and tracked to achievement of final action by the estimated completion dates; reviewing and analyzing USDA agencies' progress in completing corrective action for audits one-year or more past the management decision date, without final action and behind schedule; providing useful and timely information on the status of audits to USDA management and Congress for decision-making and resource allocation purposes; working with OIG on a Final Action Verification to determine if the agency/staff office provided OCFO with sufficient documentation to support corrective action as agreed in the original management decision; collaborating with the Office of Budget and Program Analysis to include a report on outstanding OIG and GAO recommendations with the annual budget justification to Congress; and, increasing efforts to monitor agency/staff office progress on closure of GAO audit recommendations.

Management Accountability and Control

The OCFO is responsible for management accountability and control under the CFO Act, Federal Managers' Financial Integrity Act (FMFIA), Federal Financial Management Improvement Act (FFMIA) and OMB Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control. OCFO establishes policy and guidance to ensure that USDA agencies comply with the requirements of FMFIA and FFMIA, and report on material weaknesses, financial system non-conformances, and FFMIA noncompliance in the Agency Financial Report to the Congress and the President.

To accomplish this task, OCFO prepares the annual data call to the Under and Assistant Secretaries, heads of USDA staff offices, USDA component agency Chief Financial Officers, and Management Control Officers, requesting a certification statement on compliance with FMFIA and FFMIA as of June 30, 2025, and an addendum (Bridge Memo) that covered the period July 1 through September 30, 2025. Each submission was reviewed to compile the Secretary's Annual Assurance Statement. Additionally, OCFO is responsible for following-up and coordinating with USDA agencies on the resolution or mitigation of auditor identified material deficiencies, system non-conformances, and FFMIA non-compliances, reviewing and providing feedback to agencies and staff offices on their Entity Level Control (ELC) assessments and draft/final certification statements, working with USDA agencies, staff offices and the OIG to identify and report non-compliances with laws and regulations, annually providing training to USDA agencies and staff offices on the completion of the ELC questionnaire in A-123 Compliance and Reporting Tool. This is essential to evaluate the effectiveness of an agency's internal controls as prescribed by GAO's Green Book principles and conducting training in the preparation of annual certification statement and bridge memo.

Transparency and Accountability Reporting

The Transparency and Accountability Reporting Division (TARD) leads the Department's efforts to provide greater information sharing and transparency of data at USDA. TARD provides Department oversight of Federal financial assistance and Other Transaction Authority (mutual interest agreement) policy as well as Suspension and Debarment policy and Prizes and Challenges policy. TARD is responsible for the Digital Accountability and Transparency Act (DATA Act) reporting, and supports conference transparency, foreign assistance, and supplemental funding (disaster-related) reporting. In addition, TARD leads or supports various special initiatives and administration priorities on behalf of the Office of the Secretary. For example, TARD stewards USDA's engagement with requirements of the Build America, Buy America (BABA) Act, which includes Department-wide policy and review, approval, and stewardship of BABA waivers. TARD also issues and manages critical, Department-wide data calls for cross-cutting issues. In 2025, a long-term data call was established to identify existing awards impacted by Executive Orders (EOs) and Secretary's Memorandums. That same year, TARD also created and managed a new award approval process to comply with EO 14222. OCFO continues to provide oversight support, comply with, and improve these requirements and policies.

Federal Financial Assistance Policy

TARD authors Department-wide policy and guidance for Federal financial assistance, principally relating to the Office of Management and Budget (OMB)'s Title 2 of the Code of Federal Regulation Part 200. TARD authors and stewards the Department's assistance regulations at 2 CFR Chapter IV and develops and issues Departmental Regulations and internal guidance to clarify requirements, enhance consistency of policy application, and answering agency and staff office policy questions.

TARD represents the Department on several external working groups, including the Council of Federal Financial Assistance (COFFA), the highest leadership body in the Federal Government for oversight and management of federal financial assistance. TARD also convenes internal committees and working groups to create a continuous feedback loop between agencies, staff offices, OCFO, and OMB. For example, TARD regularly convenes the Federal Financial Assistance Committee (FFAC), which consists of more than 200 USDA staff who identify innovative solutions to policy issues, recommend improvements to metrics and reporting strategies, and collaborate to remove roadblocks to delivering USDA's mission through federal financial assistance. The FFAC is also activated for special issues, including implementation of administration priorities and EO implementation. In addition, TARD also convenes the Suspension and Debarment Committee quarterly to address internal matters and governmentwide developments.

Selected Examples of Recent Progress

Budget Services

The Budget Division provides budgetary services for over 20 staff office appropriation accounts throughout the year. During 2025, various budget services were completed including the preparation of the 2026 President's Budget for Departmental Administration and the USDA staff offices, which was presented to Congress, development of the 2027 Agency Estimates, and Department Estimates presented to OMB, loading 2025 actual spending and outlays for the 2026 budget in the OMB MAX entry system, and managing OMB apportionments and internal apportionments for all Mandatory and Supplemental funding that comes through the Office of the Secretary. The Budget Division also tracked the obligations and outlays of these funds on a weekly basis, entered the 2025 budgetary apportionments for over 20 appropriated accounts including during the Continuing Resolutions for 2025 while using system efficiencies that effectively allowed for the establishment of budgetary authority in the financial system, developed the 2025 operating spend plans for the Office of the Secretary's appropriation and reimbursable accounts, and conducted reviews and recommendations for the Advisory Committee regarding funding decisions and recommendations to the Secretary for the Departmental Shared Cost Program reimbursements.

Payment Integrity, Cash and Debt Management

The Fiscal Policy Division (FPD) established USDA internal processes, samples, and methods, such as the Data Call guidance for response to the 2025 OMB Annual Data Call, which provided specific instructions for review, timelines, and submission of data entry, to achieve the objectives for this year's annual reporting. FPD also devised guidance to direct USDA agency program completion and certification of OMB documents to centralized repositories for data within FPD's SharePoint system for review prior to submission.

The Payment Integrity team collaborated with USDA mission areas, agencies, staff offices and consultants to gather, analyze, and organize data for the USDA's 2025 Agency Financial Report (AFR). USDA agencies submitted deliverables throughout 2025 and that data was utilized by the team to edit the AFR using the software reporting tool. The team updated the Payment Integrity section of the AFR to include results from Phase 1 and Phase 2 program assessments.

Debt Management

During 2025, FPD continued to assess FPD's role in USDA debt management areas, reviewed the processes in its debt programs, and evaluated how they interact with Treasury, with a goal of reducing delinquent debt and providing oversight to USDA agencies, on accurate and timely processing and reporting debt/payments/collections, and on improving debt collection activities in programs.

FPD continued to coordinate with Treasury to monitor USDA debt management statistics, to provide agencies with information to lower debt numbers. Using the quarterly ARM (Agency Relationship Management) assessment scorecard, we continue to analyze USDA agency debts and eligibility for the Treasury Offset Program and Cross Servicing, referral rates and the status of 100 percent of agency delinquent debt. The plan is to continue to work with agencies to determine rationale for those not in compliance with debt management policies.

FPD coordinated with Department points of contact and Chief Financial Officers to obtain information to fulfill the annual Treasury Report on Receivables and Debt Collection Activities annual certification/verification requirements. The PI team organized, validated, and presented this information by the required deadline.

FPD focused on evaluating the USDA Administrative Wage Garnishment (AWG) program with an emphasis on strengthening its processes. FPD continues to review and update USDA guidance, to include step by step processes, statistics (number of orders/collections, notice letters/hearings), and timelines, and ensure agencies are following guidance. Plans are also in place to improve SharePoint accessibility through online tools, automated assistance processes, POCs, electronic access to forms, policies and guides, and have the site provide a one-stop, informative gateway to information agencies require. FPD continues to meet with Treasury, as AWG and hearing processes are developed, and to review USDA's hearing list to determine the status of each hearing.

Do Not Pay (DNP):

DNP operates a resource dedicated to preventing and detecting improper payments. The Working System and DNP together create one element of the larger multi-agency government-wide DNP Initiative and centrally provides a variety of data matching and data analytics services to support agency programs in their efforts to prevent and detect improper payments. Agencies use a secure online interface to check various data sources to verify eligibility of a vendor, grantee, loan recipient, or beneficiary to receive federal payments. The DNP Portal lets the user search multiple databases at one time.

During 2025, the average number of DNP searches reached 19,134, which is a 47 percent increase from 10,185 in 2024. The total dollar amount associated with this increased by 77 percent, going from \$12.5 million in 2024 to \$54.2 million.

There are currently 4,208 active DNP Portal users, an increase from 3,509 in 2024 (a 17 percent increase). These users span five agencies and multiple program areas. USDA consistently increases the number of active users each fiscal year. The USDA DNP Authorizing Official (AO), in tandem with the Primary Local Security Administrator (PLSA), provided administrative support to programs currently using DNP during the pre-award, pre-payment, and post-payment phases of the payment life cycle. USDA has also begun the enrollment and onboarding process with four new program areas, which will result in the potential of adding approximately 2,000 more DNP users.

Travel and Conference Activities

Excellent management of the over \$200M travel program. Successfully implemented provisions of Executive Order 14222 to restrict unnecessary official travel, resulting in an 8 percent travel spend decrease (saving \$23.6 million from 2024). Expertly managed the government travel charge card program (GTCC) by reducing the number of active accounts by 15 percent (from 67,000 to 56,000), resulting in a 33 percent decrease in card spend; maintained a Department delinquency rates of less than 5 percent (for both centrally billed and individually billed accounts) with over \$124 million of spend volume.

Provided monitoring and oversight for travel charge card transactions using the Oversight Insights on Demand (IOD) automated system. IOD flagged over 10,821 transactions, totaling \$8 million, for closer review and scrutiny.

Collaborated with USDA conference points of contact to gather, validate, and finalize the list of USDA 2025 planned conference and training event; the list included 1,474 events, with an estimated cost of \$107.5 million.

Financial Assistance Reporting

TARD established a new award approval process to comply with the Executive Order 14222 "Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative." This tool was set up in 72 hours to meet the USDA Department of Government Efficiency representatives' (efficiency Team) requirement to view and approve all new Financial Assistance awards and Interagency Agreements that met the new award criteria. The Application went live on March 31, 2025. Since then, 41,290 awards with \$28.2 billion in obligations and \$40.5 Billion in Loans have been processed.

TARD met with agencies to address data quality issues for data reported under the Digital Accountability and Transparency Act to improve data used for and by OCFO, the Office of the Secretary, the Efficiency Team, the office of General Counsel and other stakeholders. This resulted in data cleanup for over \$1 Billion in obligations that had data errors.